

**STATE OF NEW HAMPSHIRE INSURANCE DEPARTMENT**  
**REQUEST FOR PROPOSAL – FINANCIAL EXAMINATION OF THE RSUI Group**  
**and ALLEGHANY GROUP**

The New Hampshire Insurance Department is requesting proposals to perform a full scope financial examination of the New Hampshire domestic insurers in the RSUI Group and to coordinate the Alleghany Group (NAIC #501) examination for period ending 12/31/2019. We are looking for the contract firm to lead the exam and NH Chief Examiner will perform a final level of review.

Alleghany is heavily decentralized with 3 quasi-autonomous insurance operating companies, Transatlantic Re, RSUI Group and CapSpecialty. A fourth operating company, Alleghany Capital, engages in and oversees very diversified strategic non-insurance investments and acquisitions.

Following is a link to the website for Alleghany to provide you background information and a chart with detail on the companies in the group. The website has links to other sites for the operating companies.

<https://www.alleghany.com/home/default.aspx>

12/31/2018		Bks/ Rec		% Tot. DPW		Net Admitted Assets	Last Exam
Group / Insurer	Dom		DPW		GPW		
33138 - Landmark Amer Ins Co	NH	GA	<a href="#">513,206,599</a>	33.98%	<a href="#">513,586,832</a>	325,535,433	<a href="#">12/31/16</a>
22314 - RSUI Ind Co	NH	GA	<a href="#">430,835,160</a>	28.53%	<a href="#">1,082,253,255</a>	3,665,978,613	<a href="#">12/31/16</a>
10328 - Capitol Specialty Ins Corp	WI	WI	<a href="#">209,945,738</a>	13.90%	<a href="#">255,845,701</a>	159,539,830	<a href="#">12/31/14</a>
13027 - Covington Specialty Ins Co	NH	GA	<a href="#">139,040,224</a>	9.21%	<a href="#">139,040,224</a>	101,901,559	<a href="#">12/31/16</a>
35157 - Fair Amer Ins & Reins Co	NY	NY	<a href="#">78,809,005</a>	5.22%	<a href="#">78,809,005</a>	229,732,427	<a href="#">12/31/14</a>
10472 - Capitol Ind Corp	WI	WI	<a href="#">67,951,183</a>	4.50%	<a href="#">311,327,235</a>	632,913,825	<a href="#">12/31/14</a>
18619 - Platte River Ins Co	NE	WI	<a href="#">43,521,476</a>	2.88%	<a href="#">89,421,439</a>	155,859,602	<a href="#">12/31/14</a>
15201 - Fair American Select Ins Co	DE	NY	<a href="#">26,854,072</a>	1.78%	<a href="#">26,854,072</a>	107,978,732	<a href="#">12/31/16</a>
19453 - Transatlantic Reins Co	NY	NY	<a href="#">0</a>	0.00%	<a href="#">4,047,038,552</a>	14,315,254,430	<a href="#">12/31/14</a>

Our plan at this point is to commence the exam in mid-2020 with Phase 1 work in the areas of IT, Corporate Governance, Assessment of Audit Function, and ERM, and review of SOX process and testing. The exam will fully engage when we have access to the 2019 CPA workpapers. We expect to spend 25 - 50% of the time onsite at the RSUI Company in Atlanta, GA. Alleghany is in NYC.

We will need an IT Specialist to perform the Exhibit C and IT General Controls portion of the exam for RSUI Group along with a credentialed actuary to perform the actuarial reserves study and review of pricing and underwriting operations and controls. Investments are handled at the Alleghany level and New Hampshire has agreed to perform that part of the exam for all companies.

Other states participating in this exam for their respective companies are New York, Delaware, Wisconsin and Nebraska. New York is serving as a Co-lead. They are hosting a Supervisory College in May, 2020.

Due to the highly decentralized structure of the Group, the proposal should consider that the other states will be doing separate IT, actuarial and financial exam procedures which may or may not be done by the firm NH selects.

Some Phase 1 work at the Alleghany level can be leveraged by all States, however there is still much oversight and governance at the operating company levels. There is an internal audit function and Chief Auditor at Alleghany but dedicated IA staff at the operating companies.

Along with information about your organization and qualifications to serve, please provide your proposal in hours and dollars with a breakdown of financial, IT and actuarial subtotals along with budgeted travel and out of pocket expenses with a not-to-exceed amount for each subtotal. Also, provide the names and resumes of the people who will lead and staff the exam. If there are significant changes in scope after proposals are submitted or if major unforeseen issues occur which require additional hours, those are negotiable. We are requesting that proposals be submitted electronically to Colin Wilkins no later than **03/06/2020**. Any questions should be directed to him as well.

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